CONSERVATIVE leadership outsider Rory Stewart was booted out of the race to become the next Prime Minister last night as his support crumbled in the latest round of voting.

The international development secretary became a surprise contender in the battle to succeed Theresa May as Conservative leader, after vowing to continue with the Brexit deal already rejected three times by MPs.

Stewart adopted an unconventional approach to campaigning, focusing on speaking to members of the public as part of his #RoryWalks Twitter strategy – instead of putting all his energy into winning over the Conservative MPs whose support he needed to secure a spot in final round.

Ahead of the ballot, Stewart said his campaign was “on a knife edge”, but when the result was announced at just after 6pm it showed he was way off the pace, losing 10 votes compared to a vote just 24 hours earlier. His 27 votes put him in last place, behind home secretary Sajid Javid, who secured 38 backers – up just five on Tuesday’s ballot. Despite finishing last, Javid’s campaign insisted he would fight today’s ballot.

Boris Johnson, the former foreign secretary, once again topped the poll, securing 143 votes yesterday – up 17 on the previous round.

The gap to finish in second position narrowed, with Johnson’s foreign office successor Jeremy Hunt coming second with 48, up eight, while environment secretary Michael Gove put on 10 votes to finish with 51.

Conservative MPs will have two further ballots today to whittle the field down to just two candidates, who will then spend a month campaigning for votes from party members.

Speaking after he was eliminated, Stewart said he was “surprised” to see a drop in his vote, but admitted he was beginning to be seen as a divisive figure in the party due to his attacks on Johnson’s Brexit strategy. “Certainly that seems to be the feeling people have,” he said, adding: “I would say though you can’t unify a family or a party by sweeping things under the table – you have to bring things out into the open.”

In a dig at his former rivals’ plans for Brexit – with all the remaining candidates claiming they could renegotiate a withdrawal deal with Brussels – Stewart said: “We will now see between now and the end of October whether people can deliver what they’ve promised. My instinct is they can’t, and my instinct is it’s a risky thing to promise to do things to a party or a country that you can’t deliver.”

Stewart refused to say who he would be backing in the next round of votes.
Can Tesco truly be the finest supermarket?

T MIGHT be celebrating its 100th birthday, but Tesco is showing little sign of fatigue under chief executive Dave Lewis. The former Unilever man, while keen as always to stress his caution over future commitments, sounded bullish during a capital markets day earlier this week. After five years of ruthless cost-cutting, which earned Lewis his reputation as “Drastic Dave”, the grocery chain has hailed the success of its turnaround plan and now seems to be eyeing up growth in almost every corner of the market. In an intense retail arena, Tesco has not shied away from competition. In fact, it seems to have relished it. Last autumn, Lewis travelled to the small Cambridgeshire town of Chatteris, where he opened the firm’s first Jack’s store to take on the German discounters Aldi and Lidl. Nine months later, he is now mulling an entrance at the other end of the market by launching a series of upmarket Tesco Finest convenience stores. In a presentation slide for investors on Tuesday, Lewis showed there was an opportunity for a seven per cent operating margin for its Tesco finest store concept – significantly higher than its current 3.5 per cent to four per cent target. While Lewis ruled out a timetable or store numbers for his Tesco Finest idea, such a profit margin forecast nevertheless caught the attention of the City. Shares in high-end rivals Marks & Spencer and Ocado slumped nearly five per cent last night. Not much of a surprise, given that a move upmarket from Tesco could threaten Marks & Spencer’s network of 700 Simply Food stores.

The move upmarket from Tesco may threaten M&S’s 700 Simply Food stores

If an entire new category of stores wasn’t enough to keep Lewis and his team busy, new robot delivery systems, an expansion of its plant-based ready meals and more investment in its Clubcard loyalty scheme are all also being mulled. A backdrop of political uncertainty and an unclear future for Jack’s – a group of only nine stores with no known plans for any more – means any strategy for a fresh range of stores should be met with a degree of scepticism. But while rivals Sainsbury’s and Asda are still reeling from the failure of their vital merger plans, at least Tesco is currently looking about as energetic and adventurous as it is possible to be, for a centenarian.

Follow us on Twitter @cityam

MH17 ARRESTS Three Russians and a Ukrainian charged with murder by Dutch authorities over Malaysia Airlines flight MH17 attack

The investment platform received £41.1m in fees from the fund since its launch in 2014. Hill told the committee in his letter.

The fund was only removed from the investment adviser’s “best buy” list following its suspension earlier this month, prompting questions over the close relationship between the two businesses. A spokesperson for Woodford said yesterday: “The agreement with Hargreaves Lansdown was to inform them of any month-end breaches only. “Consistent with all clients, Woodford provided month-end data for investors and at no time was there a month-end passive breach.” The spokesperson added: “The FCA reference to breaches in February and March 2018 relates to two inadvertent intra-month passive breaches, both resolved before month-end.”

A proposed new definition of Islamophobia could be ‘bullies charter’

A high-stakes meeting between Donald Trump, the US president, and Xi Jinping, the Chinese president, at the G20 summit in Osaka, adding there was a shared goal to “resolve” the dispute.

What the other papers say this morning

The investment platform received £41.1m in fees from the fund since its launch in 2014. Hill told the committee in his letter.

The fund was only removed from the investment adviser’s “best buy” list following its suspension earlier this month, prompting questions over the close relationship between the two businesses. A spokesperson for Woodford said yesterday: “The agreement with Hargreaves Lansdown was to inform them of any month-end breaches only. “Consistent with all clients, Woodford provided month-end data for investors and at no time was there a month-end passive breach.” The spokesperson added: “The FCA reference to breaches in February and March 2018 relates to two inadvertent intra-month passive breaches, both resolved before month-end.”

The investment platform received £41.1m in fees from the fund since its launch in 2014. Hill told the committee in his letter.

The fund was only removed from the investment adviser’s “best buy” list following its suspension earlier this month, prompting questions over the close relationship between the two businesses. A spokesperson for Woodford said yesterday: “The agreement with Hargreaves Lansdown was to inform them of any month-end breaches only. “Consistent with all clients, Woodford provided month-end data for investors and at no time was there a month-end passive breach.” The spokesperson added: “The FCA reference to breaches in February and March 2018 relates to two inadvertent intra-month passive breaches, both resolved before month-end.”
Corbyn confirms Labour push for second EU vote

OWEN BENNETT
@owenbennett

LABOUR would push for second Brexit referendum on “any deal” agreed with the EU, Jeremy Corbyn announced yesterday. But the party refused to confirm if the position only applied to an agreement negotiated by the Conservatives.

In a statement yesterday, the Labour leader called for a public vote on a Brexit deal struck by the Tories, or any agreement a Labour government might negotiate.

The source said such a decision would be subject to the party’s manifesto drafting process in the run-up to a general election.

In a statement, Corbyn said: “We have committed to respecting the result of the referendum, and have strongly made the case for an alternative plan for Brexit as the only serious deal that could potentially command the support of the House.”

He added: “I have already made the case, on the media and in Dublin, that it is now right to demand that any deal is put to a public vote. That is in line with our conference policy which agreed a public vote would be an option.”

In September, the opposition party conference passed a motion calling for a second referendum on the UK’s EU membership if Labour were unable to force a general election.

Corbyn failed tooust the government during a confidence vote in January, and has been under increasing pressure to back another vote after the pro-Remain Liberal Democrats surged in last month’s elections.

Deputy leader Tom Watson used a speech on Monday to call for Labour to fully embrace keeping the UK in the EU, saying: “Our members are Remain, our values are Remain, our hearts are Remain.”

The shadow cabinet is divided on support for a second referendum.

SARKO ON TRIAL

Former French leader loses bid to avoid corruption charge trials

NICOLAS Sarkozy, the former President of France, has lost a final bid to stop himself from being prosecuted on charges of corruption. Sarkozy is accused of attempting to bribe a magistrate in exchange for information about a probe into his party.

IN BRIEF

BRITISH GAS OWNER TO AXE 700 UK MANAGEMENT JOBS

British Gas owner Centrica has confirmed it will slash up to 700 management and back office roles in the UK as part of a previously announced wave of job cuts. The latest losses will count towards the 4,000 job cuts figure announced in February 2018, which Centrica intends to complete by 2020. “The roles potentially affected are in management layers and back office functions,” a spokesperson said. Centrica will now embark on a 45-day staff consultation process over the job losses. Centrica warned in May that it could cut its dividend after a challenging start to its latest financial year. The energy giant has shedded 234,000 customers in the UK in its opening quarter, while energy regulator Ofgem’s energy price cap led to a £70m one-off hit to its bottom line.

US REGULATOR TO PROBE YOUTUBE ON CHILD PRIVACY

The US Federal Trade Commission is said to be in the advanced stages of an investigation into Youtube’s handling of videos aimed at children. The probe, which could result in fines against Google-owned Youtube, followed complaints by parents and consumer groups that the firm had collected data of young users, according to media reports last night. The groups also complained Youtube had allowed harmful and adult content to appear in searches for children’s content. The probe, which is in the advanced stages of an investigation into Youtube’s handling of videos aimed at children, could result in fines against Google-owned Youtube, followed complaints by parents and consumer groups that the firm had collected data of young users, according to media reports last night. The groups also complained Youtube had allowed harmful and adult content to appear in searches for children’s content. The probe, which could result in fines against Google-owned Youtube, followed complaints by parents and consumer groups that the firm had collected data of young users, according to media reports last night. The groups also complained Youtube had allowed harmful and adult content to appear in searches for children’s content. The probe, which could result in fines against Google-owned Youtube, followed complaints by parents and consumer groups that the firm had collected data of young users, according to media reports last night. The groups also complained Youtube had allowed harmful and adult content to appear in searches for children’s content. The probe, which could result in fines against Google-owned Youtube, followed complaints by parents and consumer groups that the firm had collected data of young users, according to media reports last night. The groups also complained Youtube had allowed harmful and adult content to appear in searches for children’s content. The probe, which could result in fines against Google-owned Youtube, followed complaints by parents and consumer groups that the firm had collected data of young users, according to media reports last night. The groups also complained Youtube had allowed harmful and adult content to appear in searches for children’s content. The probe, which could result in fines against Google-owned Youtube, followed complaints by parents and consumer groups that the firm had collected data of young users, according to media reports last night. The groups also complained Youtube had allowed harmful and adult content to appear in searches for children’s content.

We’re the UK’s No.1 travel money provider*

It’s quick and easy to sort your travel money, with more than 70 currencies available online and at over 11,500 branches.

Search ‘Post Office travel money’

FROM DIRECTOR AND EXECUTIVE PRODUCER GEORGE CLOONEY

CATCH-22
TONIGHT 9PM

New drama

ALSO STREAM ON ALL 4
Blow for Coast as First Group board contender turns down nomination

ALEXANDRA ROGERS
@city_aneugers
AN ACTIVIST investor in transport giant First Group has stumbled in its attempt to force out six of the firm’s directors, after one of its nominees did not agree to stand for a board position.

US investor Coast Capital, which holds a near 10 per cent stake in First, has called a radical shakeup of the company, including that it splits its UK assets from its US assets, withdraw from Britain’s rail industry and overhaul its board.

Coast has requested an extraordinary general meeting to vote on the removal of six current directors and the appointment of seven of its own nominees, which has been set for next Tuesday.

However, Coast’s attempt to force out the First board members was shaken after former Arriva chief executive David Martin failed to submit a consent letter agreeing to stand for the position.

A spokesperson for First said Martin “is not eligible to be appointed as a director of the company at the general meeting”.

It is understood that Coast will still proceed with its attempt to replace the six members of First’s board with six of its own nominees.
The City AM Club is a new and exclusive membership programme designed specifically for you— London’s professionals. Access a unique and thoughtfully curated experience - from benefits, to added value, events and networking in your favourite restaurants and across leading lifestyle brands. The City AM Club is designed to match your lifestyle and take you through the week - morning till midnight.

It's Better On The Inside - are you in?

JOIN THE CLUB TODAY
VISIT CITYAMCLUB.COM

£240 per year
London decline drags down UK property cost as buyer caution lingers

SEBASTIAN MCCARTHY

UK house prices were dragged down by subdued demand in London last month, as buyer caution continued to linger in the capital.

London witnessed the lowest annual growth for any region in May, with prices falling 1.2 per cent over the year to April 2019, up from a fall of 2.5 per cent in March 2019.

Prices across the UK rose an unadjusted 0.7 per cent month-on-month in April, which was the first rise in eight months, with the average property price at £227,000, according to data released yesterday by the Office for National Statistics (ONS).

The ONS data does little to change the overall impression that the housing market is still finding life challenging as buyer caution amid still relatively challenging conditions is being reinforced by Brexit, political and economic uncertainties – although there are significant variations across regions, said Howard Archer, chief economic adviser at the EY ITEM Club.

While London house prices fell over the year, they remained resilient in April, according to the Office for National Statistics, which said overall house prices in April were £241,000, up 0.3 per cent on the month.

“Barrick made on Tuesday, despite disagreeing with statements by the main shareholder Barrick Gold loomed. As largest investor Barrick Gold, we are disappointed with developments...”

AUGUST GRAHAM

Barrick Mining takes aim at largest investor Barrick Gold

Large businesses face fines for being slow to pay small suppliers

HARRY ROBERTSON

Large businesses could be fined for not paying smaller suppliers on time, the government said yesterday, as part of proposals to tackle a problem that sees thousands of small firms go bust every year.

Small business minister Kelly Tolhurst said companies would now be held accountable to their own boards for their payment practices, as they would have to detail them in their annual reports.

The Institute of Directors said the proposals were “a significant step forward”.

Acacia Mining takes aim at largest investor Barrick Gold

AUGUST GRAHAM

ACACIA Mining took aim at its main shareholder Barrick Gold yesterday, as a takeover offer from Barrick loomed.

The London- and Tanzania-based miner said it “strongly disagrees” with statements made in Cape Town, despite agreeing to give Barrick more time to make a takeover offer.

In May, Barrick approached Acacia’s board with an indicative offer which values the miner at $887.3m (£705m).

Recession uncertainty was hitting its travel business and price comparison sites were eating into its insurance margins.

The over-50s insurance and travel group responded by unveiling a new strategy to return the business to its roots following a series of profit warnings.

The strategy included changing its approach to insurance and renewal pricing and launching a new home and motor cover product.

Saga said it was making progress with the strategy and that trading from 1 February to 16 June had been in line with expectations.

Cruise bookings also remained resilient and its business in the UK and Ireland had performed strongly.

City of London update

£1m funding to tackle air pollution across London

The City of London Corporation has been awarded £1,000,000 from the Mayor of London’s Air Quality Fund to deliver joint projects with the London Borough of Camden and the Cross River Partnership to improve air quality across London.

This funding will help to deliver a London idling engine action project, including a London-wide advertising campaign, encouraging drivers to switch off their engines whilst parked, in partnership with Camden Council.

It will be built upon the success of the previous volunteer led action programme – a model pioneered by the City Corporation, which was adopted by a total of 18 local authorities.

Animation celebration

The multi-award-winning animation work of Geoff Dunbar, whose films include ‘Rupert Bear and the Frog Song’ for Sir Paul McCartney and the BBC’s ‘The World of Peter Rabbit and Friends’, will be exhibited at Barbican Music Library next month.

Dunbar, who collaborated with Sir Paul on the ‘Frog Chorus’ and ‘Daumier’s Law’, has won several major awards, including two BAFTAs, a Palme d’Or, and a Golden Bear.

Geoff Dunbar: Art into Animation opens on Thursday 11 July and will showcase some of the meticulously hand-crafted drawings created for the films by Geoff and his team of animators.
As the plane touches down on the hot tarmac at Nice airport, the butterflies start to set in. My neighbour, a senior media executive, has given me a disconcerting pep talk. “Trust me, it’s worse than Glastonbury,” he says with a smile. As we disembark, it’s clear everyone is headed for the same glistening town on the Cote D’Azur for Cannes Lions, the advertising industry’s notorious annual knees-up.

There’s something about Cannes that attracts both wonder and disgust. Its glamorous beach cabanas, imposing yachts and free-flowing rosé entice some, but embody the very worst excesses of the Mad Men lifestyle for others. Last year, one ad firm spent £10,000 just on a taxi to ferry a top boss around Cannes town centre for the week. In one infamous nocturnal incident, a couple were spotted rolling around on the festival’s famous red carpet in full view of the public, their shoes placed neatly to one side.

As you walk along Le Croisette, it’s hard not to be taken in by the sheer extravagance of it all. But Cannes Lions, much like its more famous film industry cousin, is feeling the impact of cultural change.

CULTURE SHOCK

The culture of the ad industry has been in the spotlight in recent years and, for many, the annual Cannes conference has been tainted by a spate of problems such as sexism, lack of diversity and burnout.

Two years ago, holding group Publicis rocked the boat by scrapping plans to send its usual contingent to Cannes, though the decision may well have been driven by money worries, not moral ones. The controversy was compounded in 2018 following Sir Martin Sorrell’s acrimonious departure from WPP. The ad veteran has denied all allegations of misconduct, but the scandal only served to intensify concerns over the industry’s less savoury habits.

CULTURE SHOCK

The culture of the ad industry has been in the spotlight in recent years and, for many, the annual Cannes conference has been tainted by a spate of problems such as sexism, lack of diversity and burnout.

Two years ago, holding group Publicis rocked the boat by scrapping plans to send its usual contingent to Cannes, though the decision may well have been driven by money worries, not moral ones. The controversy was compounded in 2018 following Sir Martin Sorrell’s acrimonious departure from WPP. The ad veteran has denied all allegations of misconduct, but the scandal only served to intensify concerns over the industry’s less savoury habits.

CULTURE SHOCK

The culture of the ad industry has been in the spotlight in recent years and, for many, the annual Cannes conference has been tainted by a spate of problems such as sexism, lack of diversity and burnout.

Two years ago, holding group Publicis rocked the boat by scrapping plans to send its usual contingent to Cannes, though the decision may well have been driven by money worries, not moral ones. The controversy was compounded in 2018 following Sir Martin Sorrell’s acrimonious departure from WPP. The ad veteran has denied all allegations of misconduct, but the scandal only served to intensify concerns over the industry’s less savoury habits.
Inflation falls to target rate prior to BoE decision

JOE CURTIS
AND HARRY ROBERTSON
@joe_r_curtis @henrygrobertson

THE UK’s headline inflation rate fell to two per cent in May, in line with the Bank of England’s target, official figures showed yesterday.

Consumer Price Index (CPI) inflation fell to the target rate from 2.1 per cent in April, the Office for National Statistics (ONS) said.

Falling air fares, a drop in car prices and the late arrival of Easter all pushed the CPI down, the ONS said.

Rising prices for games, toys and furniture partly offset the fall, however.

The National Institute of Economic and Social Research (NIESR) warned that the CPI’s drop was down to extreme price movements.

Jason Lennard, NIESR senior economist, said: “Our analysis... suggests that the fall is due to a small number of large price changes, such as air fares.”

He said NIESR’s own underlying rate of inflation, which excludes the most extreme price movements, climbed 0.3 percentage points to 0.8 per cent.

“Underlying inflation also increased in every region of the United Kingdom, rising most in the west Midlands, the north and London,” he said.

The BoE’s monetary policy committee (MPC) meet today, and will have paid close attention to the figures.

Yet analysts said it was unlikely a dip in inflation will lead to an interest rate rise.

Ongoing Brexit uncertainty made it improbable that governor Mark Carney would make “a dovish turn,” said David Cheetham, chief market analyst at trader XTB.

City A.M.’s shadow MPC said interest rates should be left on hold due to uncertainty over Brexit and the next Prime Minister, global trade tensions, and recent weak UK data.

BECOME A DEBENTURE MEMBER AT THE KIA OVAL

Experience four years of international cricket at an iconic sporting venue
Guarantee one of the best seats in the ground for the sold out 2019 Ashes
Access to the exclusive Veuve Clicquot Terrace and Debenture Restaurant, with a menu inspired by Michelin Star chef Jason Atherton

FOR MORE INFORMATION, CONTACT DEBENTURE@SURREYCRICKET.COM OR CALL 020 7820 5777

Bank of England should hold course until Brexit uncertainty blows over, says shadow committee

CITY A.M.’S SHADOW MONETARY POLICY COMMITTEE
OUR MPC VOTES OVERWHELMINGLY TO KEEP INTEREST RATES ON HOLD

GUEST CHAIR: MIKE BELL JP MORGAN ASSET MANAGEMENT

HOLD: With wages rising by 3.4 per cent year-on-year and unemployment at 3.8 per cent, it’s possible to make the case for a rate rise. However, several surveys suggest the outlook for manufacturing is deteriorating, while job growth has slowed. Against this backdrop and with political uncertainty still elevated, it’s best to stay on hold.

RUTH GREGORY
CAPITAL ECONOMICS

HOLD: Hold for now given the slew of weak activity data, political uncertainty about the next PM and subdued inflation.

JAMES SMITH
ING

HOLD: While stockpiling has exaggerated the recent dip, growth will remain fragile until Brexit concerns begin to resurface.

VICKY PRYCE
CERI

HOLD: Stockpiling has now gone into reverse. Price pressures remain subdued, and world economic prospects have worsened.

JEANON LOLAY
LLOYDS BANK

HOLD: Continuing uncertainty argues for caution, but a case can be made for tightening if uncertainty were to abate.

SIMON WARD
JANUS HENDERSON

CUT: Money growth remains too weak. GDP is on course to contract this quarter and labour market strength has peaked.

TEJ PARikh
INSTITUTE OF DIRECTORS

HOLD: Despite recent wage figures of late, with poor global growth forecasts and Brexit still up in the air, it’s best to hold.

KALLUM PICKERING
BERENBERG

HOLD: Better to signal that more rate hikes are likely eventually, but wait for the risks, such as the trade wars, to pass for now.

SIMON FRENCH
PANMURE GORDON

HOLD: Acute uncertainty over Brexit and possible fiscal changes from a new prime minister mean there is a low cost to waiting.
Mulberry swings to loss amid tough market and House of Fraser collapse

Revenue from sales fell two per cent to £166.3m, with international revenue climbing seven per cent but UK revenue dropping six per cent to £114.6m. Shares fell 2.8 per cent. Adjusted pre-tax profit was £1m – down from £3m in 2018 – but the retailer’s South Korea launch, House of Fraser write-off costs and profit write back from John Lewis forced it to report a loss overall.

The collapse of House of Fraser “materially impacted” the company’s UK performance it said, and also saw it pay a £2.1m write off.

The firm’s move from a wholesale to concession business model with John Lewis cost a further £1.3m. But it said the newly-created John Lewis concessions had performed better than expected and had allowed the company to recover a significant proportion of the lost revenue from problems at House of Fraser.

Whitbread sales growth falls due to Brexit delays

Whitbread boss Alison Brittain said yesterday: “We have delivered a resilient performance in the first quarter despite more challenging market conditions and we continue to make good progress with our efficiency programme, which is helping to partially offset another year of high industry cost inflation.”

Alistair Douglas, investment manager at Brewin Dolphin, said: “It’s been a tough start to the year for Whitbread, with a decline in sales across its UK operations. A large part of this can be put down to the uncertain wider economic landscape, with Brexit appearing to take its toll on business and leisure confidence – particularly in regional business markets.”

He added: “Following the sale of Costa, Whitbread is quite a different business; so the board will have to continue to drive efficiencies and use its strong balance sheet to reinforce its growth strategy.”

Modernising Lloyd’s of London will be a challenge, says chair

CAROLYN COHN
MODERNISING Lloyd’s of London will be a challenge, its chairman Bruce Carnegie-Brown said in New York late on Tuesday, as the 330-year old insurance market prepares to switch business to two automated exchanges.

The specialist Lloyd’s market has been buffeted by two years of steep losses due to high levels of insured losses from natural catastrophes. Lloyd’s outlined plans last month to set up electronic platforms from as soon as next year.

“I do not underestimate the difficulty of this challenge because frankly, history is against us,” Carnegie-Brown told an industry dinner, adding that scepticism was “to be expected”.

“Lloyd’s has embarked on modernisation before and largely failed to deliver it. We’ve spent money, deployed new technology and hired talent for projects over many years but we have not done so well in bringing the market behind our promise.”
Freshfields partner faces tribunal

JAMES BOOTH
@JAMESbooth1

THE SOLICITORS Disciplinary Tribunal (SDT) has rejected an attempt by Freshfields Bruckhaus Deringer partner Ryan Beckwith to have a sexual misconduct case against him thrown out.

A junior lawyer at the firm alleged Beckwith had sex with her after a work event when she was heavily intoxicated and her decision making was impaired.

Beckwith will now face a full hearing of the SDT in a case that is expected to last for around two weeks beginning in November.

The SDT is due to make its decision on whether to proceed and whether to suspend him if convicted.

The allegations against Beckwith are unproven at this stage.

Freshfields senior partner Edward Braham said: “A partner of the firm is the subject of Solicitors Disciplinary Tribunal proceedings and is on indefinite leave. Given the ongoing proceedings, to which we are not a party, it would be inappropriate to comment further.”

Beckwith could not be reached for comment.

FCA regulation report released after LCF failure

JESS CLARK
@jclarkjourno @jamesbooth1

THE CITY watchdog has launched a report into how firms are regulated following the collapse of mini-bond lender London Capital & Finance.

In its first annual Perimeter Report, published yesterday, the Financial Conduct Authority (FCA) said firms “on the edges” of its regulatory coverage have “recently caused serious harm to consumers”.

London Capital & Finance was an FCA-authorised firm, but issuing mini-bonds was not considered to be a regulated activity.

Customers were therefore not eligible for Financial Services Compensation Scheme after the company failed.

“The mini-bonds market has changed over recent years, with many complex mini-bonds being issued and marketed to retail investors,” the regulator said yesterday.

“ISSuers of these more complex products have often been able to rely on the same exclusion as ordinary commercial companies to issue their securities without the need for authorisation,” it added.

The FCA also warned yesterday that clients could decide to delay payments and cast from the area for 2019.

Future of the UK’s top law firms vulnerable to economic shocks

JAMES BOOTH
@JAMESbooth1

THE UK’s top 50 law firms hold an average cash for just three weeks’ wages, leaving them vulnerable to economic shocks.

Analysis of the accounts of the top 50 law firms by accountancy firm Smith & Williamson and website Legal Week found that monthly payroll was on average £610m, but firms had average cash of just £410m.

This means that if clients do not pay their bills for just one month, the majority of firms could go bust.

Revenue for the top 50 grew to £17.9bn, but at year end 6.7% or that was unpaid, almost a third of annual income.

Giles Murphy, head of professional practices at Smith & Williamson, said: “If there’s a shock to the economy system for example, a no-deal Brexit, clients may decide to delay payments and that could be devastating to law firms.”

The rebrand follows last year’s major merger deal

CALUM KEEON
@CallumKeown

CLYDESDALE and Yorkshire bank owner CYBG will be renamed Virgin Money in a major rebranding to “disrupt the status quo” of UK banking.

“CYBG acquired Virgin Money last year in a £1.7bn deal and will now adopt its name across its business by the end of the year.

At its capital markets day yesterday, CYBG said it aimed to make a further £50m in savings from the merger, taking the total savings to £200m by the end 2022.

It maintained its 2019 guidance of £580m costs and targeted costs below £780m by the end of 2022.

Chief executive David Duffy said: “We have a clear ambition to disrupt the status quo with the new Virgin Money.”

“CYBG’s technology, product expertise and know-how.”

“The new group combines the ethos of Virgin, with its distinctive and brilliant customer experience with CYBG’s technology, product expertise and know-how.”

The financial services sector.

Hoban said: “People are at the heart of the industry’s success and provide its competitive advantage. The digital revolution is transforming the sector and affecting its people too.

“IT is vital that we train people in the skills needed for the future so we can match the pace of change,” he said.

The taskforce will publish its detailed recommendations in November 2019. The City UK, which convenes the group, said the taskforce will set out a roadmap for the financial companies to tackle skills challenges.

Ex-City minister calls for action on lack of skills

HARRY ROBERTSON
@Penroy41robertson

FORMER City minister Mark Hoban has today called for urgent action to address the skills crisis facing the financial services sector.

The sector does not spend enough on training, lacks diversity, and its values and culture are not well-perceived, according to a report chaired by Hoban.

The report, from the chancellor’s financial services skills taskforce, said the technical skills needed by financial services firms are evolving faster than roles can currently be filled. It said greater investment in training and system-wide change is needed to address the problem of Britons lacking the skills to work in the sector.

Hoban said: “Financial services is facing an existential skills crisis because of the pace of change in the sector.”

He said: “People are at the heart of the industry’s success and provide its competitive advantage. The digital revolution is transforming the sector and affecting its people too.

“IT is vital that we train people in the skills needed for the future so we can match the pace of change,” he said.

The taskforce will publish its detailed recommendations in November 2019. The City UK, which convenes the group, said the taskforce will set out a roadmap for the financial companies to tackle skills challenges.

How will you celebrate CGD?

All our team “Go Red” plus we are on 14 day sugar detox. We provide them healthy free lunches for two weeks and tips and advice on how to cut out added sugar outside of work!
UN finds links between Saudi Crown Prince and Jamal Khashoggi murder

STEPHANIE NEBEHAY

SAUDI Crown Prince Mohammed bin Salman and other senior Saudi officials should be investigated over the murder of journalist Jamal Khashoggi since there is credible evidence they are liable for his death, a UN rights investigator said yesterday.

Khashoggi, a critic of the Prince and a Washington Post columnist, was last seen at the Saudi consulate in Istanbul on 2 October where he was to receive papers ahead of his wedding. His body was dismembered and removed from the building, the Saudi prosecutor has said, and his remains have not been found.

The Saudi public prosecutor indicted 11 unnamed suspects in November, including five who could face the death penalty on charges of ordering and committing the crime. Agnes Callamard, the UN special rapporteur on extrajudicial executions, called on countries to invoke universal jurisdiction for what she called the international crime and make arrests if individuals’ responsibility is proven.

Saudi Arabia’s minister of state for foreign affairs, Adel al-Jubeir, rejected the investigator’s report as “nothing new”. Khashoggi’s death stirred widespread disgust and hurt the image of Crown Prince, who had received some admiration in the West for pushing to end the Kingdom’s oil dependence and easing social restrictions.

Blackstone chief gives £150m for Oxford AI centre

JESS CLARK and JAMES BOOTH

BLACKSTONE chief executive Stephen Schwarzman has donated £150m to the University of Oxford for the creation of a department to study the ethics of artificial intelligence (AI).

The gift is the largest single donation to the university “since the Renaissance”, it said.

The Stephan A. Schwarzman Centre for the Humanities will house the University of Oxford for the Schwarzman has donated £150m to

Blackstone chief executive Stephen Schwarzman has donated £150m to the University of Oxford for the creation of a department to study the ethics of artificial intelligence (AI).

The gift is the largest single donation to the university “since the Renaissance”, it said.

The Stephan A. Schwarzman Centre for the Humanities will house the Oxford AI centre

Paul is said to have been given instructions for months. He was fired in November, including five who could face the death penalty on charges of ordering and committing the crime.

The foundation said in a statement: “The foundation hopes this scheme will deepen Oxford’s engagement with the public. For nearly 1,000 years, the study of the humanities at Oxford has been core to western civilisation and scholarship. “We need to ensure that its insights and principles can be adapted to today’s dynamic world. Oxford’s longstanding global leadership in the humanities uniquely positions it to achieve this important objective. English, history, languages, music and philosophy courses will be taught in the new centre, which will also include a library, and performing arts and exhibition spaces.

Separately, Hong Kong’s richest man Li Ka-shing has promised to pay tuition fees for a class of Chinese university students.

His charitable foundation will fund Shantou University’s 2019 incoming students for up to five years.

Li’s pledge will cost 100m Chinese yuan (£11.5m) a year.

The foundation said in a statement: “The foundation hopes this scheme can alleviate financial burdens for families and encourage the pursuit of personal interests and further learning to better prepare graduates.”

Airbus fights back with big name buyers after Boeing’s Max triumph

ALISTAIR SHOUT

AIRBUS sealed deals with big name buyers for its latest passenger jet at the Paris Airshow yesterday, battling back from the potential loss of a major customer a day earlier when IAG placed a lifetime order for Boeing’s grounded 737 Max.

Indigo Partners, the private equity firm of veteran low-cost airline investor Bill Franke, and American Airlines each signed up for 50 of Airbus’s new long-range A321XLR jet, although some orders were converted from deals on other models.

Airbus, which has not given a list price for the A321XLR, launched the new plane on Monday, aiming to carve out new routes for airlines with smaller planes and steal a march on Boeing’s plans for a potential all new jet for the middle of the market.

The deals are a big vote of confidence in the European planemaker, a day after major customer IAG signed a letter of intent to buy 200 of Boeing’s 737 Max jets that have been grounded since March after two deadly crashes.

Aked about the IAG deal, Franke, who struck the largest-ever plane deal by number of aircraft with Airbus in 2017, called the A321 Neo the most efficient single-aisle jet.
**CITY DASHBOARD**

**LONDON REPORT**

**Strong sterling drags down the FTSE 100 index**

The main index slipped yesterday, weighed down by miners after Rio Tinto cut its forecast for shipments from an Australian region, while sterling’s gains ahead of the Bank of England meeting dragged down exporters.

The FTSE 100 index dipped 0.5 per cent, its worst fall this month, while the FTSE 250 midcap index was down 0.3 per cent. The indexes handed back some gains from Tuesday after dovish policy speech by the European Central Bank.

Anglo-Australian miner Rio Tinto fell 4.7 per cent after it announced a test look for shipments from a hub in the Pilbara region in Australia. That had a knockon effect on rivals as well, dragging the sectoral index nearly three per cent lower to its worst day in more than six months.

Online grocer Ocado fell nearly six per cent to the bottom of the FTSE 100 index with a trader saying it was because of negative sentiment stemming from a media report on stiff competition.

Upmarket food retailer Marks & Spencer dropped 4.5 per cent after Tesco said it was considering a trial of an upmarket convenience store under the “Tesco finest” banner.

British American Tobacco, Unilever and Reckitt Benckiser, which get a chunk of their revenue in US dollars, weakened as the pound rallied before the BoE policy meeting.

British Airways owner IAG fell 3.2 per cent, after earlier touching a two-and-a-half-year low, and Easyjet dropped 2.6 per cent.

HSBC downgraded the stocks after German miner Rio Tinto fell 4.7 per cent to the bottom of the FTSE 100 index with a trader saying it was because of negative sentiment stemming from a media report on stiff competition.

Upmarket food retailer Marks & Spencer dropped 4.5 per cent after Tesco said it was considering a trial of an upmarket convenience store under the “Tesco finest” banner. British American Tobacco, Unilever and Reckitt Benckiser, which get a chunk of their revenue in US dollars, weakened as the pound rallied before the BoE policy meeting. British Airways owner IAG fell 3.2 per cent, after earlier touching a two-and-a-half-year low, and Easyjet dropped 2.6 per cent.

**TOP RISERS**

1. RBS Up 3.40 per cent
2. DS Smith Up 2.58 per cent
3. Melrose Up 2.31 per cent

**TOP FALLERS**

1. Ocado Down 5.64 per cent
2. Rio Tinto Down 4.68 per cent
3. M&S Down 4.55 per cent

---

**NEW YORK REPORT**

S&P 500 nears record as Fed soothes stocks

The S&P 500 approached a record high yesterday after the Federal Reserve signaled potential interest cuts later this year, reassuring investors worried that the US-China trade war could stall economic growth.

Saying it “will act as appropriate to support the economic expansion,” the central bank signaled rate cuts of as much as half a percentage point over the remainder of 2019.

In its statement following a two-day policy meeting, the Fed held rates steady unchanged, but dropped a previous promise to be “patient” in adjusting rates.

That elevated the S&P 500 and Dow Jones Industrial Average to less than one per cent from their record high close set in late April.

Buoyed by growing confidence the Fed will cut rates, and by hopes of an end to the US-China trade war, US stocks have climbed in recent weeks. The S&P 500 has gained six per cent in June. The financial sector fell 0.2 per cent, with bank stocks dipping 0.2 per cent. Lower interest rates tend to hurt banks’ profits.

The Dow Jones Industrial Average rose 0.15 per cent to 28,362.7 points, while the S&P 500 gained 0.30 per cent to 2,936.44.

The Nasdaq Composite added 0.42 per cent to 7,937.32.

Contributing more than any other stock to advances on the Nasdaq and S&P 500, Adobe surged 5.2 per cent after the Photoshop software provider beat analysts’ estimates for quarterly profit and revenue.

Facebook fell 0.5 per cent as its ambitious plan to launch a digital currency faced a backlash from regulators and politicians in the United States and abroad.

The healthcare sector rose one per cent, helped by gains in Unitedhealth, Pfizer and Allergan.

Allergan jumped 6.2 per cent after the drug maker said its constipation drug, jointly developed with Ironwood Pharmaceuticals, improved symptoms in patients suffering from irritable bowel syndrome with constipation.

---

**CITY MOVES WHO’S SWITCHING JOBS**

KPMG UK

Kay Swinburne is due to join KPMG UK as vice chair of financial services from 1 July 2019 in her new role. Kay will chair KPMG’s risk and regulatory insight centre, which provides insights on risk and regulation. Kay will work closely with Karim Haji, the head of financial services advising his leadership team and supporting board and C-suite level client relationships. Kay has represented Wales in the European Parliament for the last 10 years, during which time she served as vice-chair of the parliament’s influential economics and monetary affairs committee. She played a pivotal role in shaping EU and global financial services legislation, including setting up the EU supervisory bodies (ESAs, SSM, SRM), capital markets union (EMIR, MIFID II, Prospectus, CCP Recovery & Resolution), and the broader banking union files.

PWC

PwC, the professional services firm, has appointed Dame Fiona Kendrick to its Public Interest Body (PIB) with effect from 1 July 2019. Dame Fiona, a former chief executive and chairman of Nestle UK, joins Samantha Barras, Sir Ian Gibson, Justin King, Lord O’Donnell and Paul Skinner as independent non-executives providing deep experience and oversight to the firm.

PUBLICIS SAPIENT

Publicis Sapient, the digital transformation hub of Publicis Groups, has announced the appointment of John Maeda as chief experience officer. In this role, John joins the Creative Executive Collective of Publicis Groups. Maeda’s role as chief experience officer forges an engineering and design partnership at the highest level, pairing it with the EVP of Engineering. Along with spearheading design globally, John will spend time on people, bringing his commitment to inclusion and talent development to the table – vital components to unlocking real value for clients. John joins Publicis Sapient from Automatic, where he served as the global head of computational design and inclusion. John serves on the board of Soros, the Smithson Design Museum and Weiden + Kennedy, and is the author of five books including the bestselling Laws of Simplicity. Prior to Automatic, Maeda held the role of design partner at IDEO Perkins and design advisory board chair of eBay. Before that, he was a tenured research professor at the MIT Media Laboratory and IDEO president at the Rhode Island School of Design. He was the recipient of the White House’s National Design Award, the Tribeca Film Festival’s Disruptive Innovation Award, and his work is represented at the Museum of Modern Art.

---

To appear in CITYMOVES please email your career updates and pictures to citymoves@cityam.com.
Stop waiting around for your big idea

Being a successful entrepreneur revolves around these four stand-out characteristics

Simon Rogerson

The joke goes "if at first you don't succeed, destroy all evidence that you tried". But the reality is that lots of the great entrepreneurs we see today didn’t succeed on their first or sometimes second or third attempt. Their success is because they got on with selling their ideas at the earliest opportunity, using their mistakes to figure out something bigger and better. What sets successful entrepreneurs apart is not a eureka moment or a golden idea, it’s their mindset. For me, four characteristics stand out.

First, there’s the willingness to take risks. Calculated, considered, thoughtful risks, but risks, nevertheless. Failure, sometimes epic, comes with the territory in new business ventures, and there’s no room for discomfort or embarrassment.

The good news is that vulnerability is far more acceptable today, and should be actively encouraged. Asking for help isn’t the same as admitting defeat. And I find that humility and recognising your own weaknesses often open doors to the smart and talented people a founder needs to learn from.

Second, exceptional entrepreneurs are relentless fighters. They are constantly looking for solutions and stay focused on all the reasons something will be a success. People who bleed energy and passion take customers, investors and partners along with them. You see this kind of infectious leadership, and you know, “that’s the person I want to follow”.

When I, along with my co-founder Chris, left behind my career in a large financial services company to create Octopus, lots of people said that it would never work. Thankfully we proved them wrong, but it was incredibly tough in those first 18 months. We needed a huge amount of belief to keep going. The glass always had to be a half full – and having co-founders certainly helped.

Another vital skill is evaluation – great entrepreneurs constantly challenge themselves on whether an action has achieved what they intended. It can simply be a relief to solve a problem in a new business, but to thrive, a founder must continually look for more effective ways of doing things.

Finally, ruthless prioritisation is essential, as you will never have enough time to do everything you want to. The ability to stay on top of new information and changes in the market-place has to be balanced with laser focus on those activities that make the biggest difference.

Startups contribute billions to the UK economy, and we need as many as we can get. Networking events for London’s innovators are aplenty – look out for initiatives like the British Library’s “Startups in London Libraries” which offer advice and resources to those with the entrepreneurial itch.

In my experience, if you have an idea for a business, there’s little value in agonising over whether it’s the right one. The most important thing is you take the first step.
It’s high time Britain’s fledging cannabis industry got serious about protecting its IP

Jane Wainwright

The breakup of the UK is not an acceptable price for Brexit

Rachel Cunliffe

Letters to the Editor

It’s a fine life

Imagine the heart-wrenching guilt and frustration you’d experience finding a yesteryear’s five-pence coin stuck to your windshield. But what if you could just toss the paper work in the bin, and ignore the monetary pangs?

For foreign diplomats operating in the UK, this is the case. Under the Vienna Convention on Diplomatic Relations, foreign diplomats are exempt from prosecution in their host country. So they don’t pay these fines as there’s no consequence for ignoring them.

Hippo Leasing’s new F0 data haul from the Foreign and Commonwealth Office not only confirms that diplomats are getting away with-daylight robbery – they’re racking up a serious bill. The latest official government data pencil the combined cost at over £111m in unpaid parking and congestion charge fines just for diplomatic cars.

It’s no surprise that the UK tops the chart with a £9m debt to France, followed by £7m congestion charges alone. Japan, Nigeria, Russia, and India also make the top five. Central African Republic, New Zealand, and Paraguay are the only nations which have paid all outstanding bills.

But then again, how much do our diplomats owe everyone else?

Tom Preston, managing director, Hippo Motor Group

To understand libra, it’s important to realize that it’s merely the culmination of a series of economic and monetary events that started with Facebook. Think of it as “regexulating the regulatory environment” that will support libra. Note: This is different than saying it will follow the law.

@JuddLegum

For those who use Alipay, it has achieved exactly what libra is trying to do years ago without any token – its backers is world’s biggest money market fund and front end is world’s biggest payment processors, natively integrated millions of merchants. @DoveyWan

This is why I believe the regulators will allow libra. They don’t want the Chinese to dominate global payments.

And at least the blockchain piece of this gives some privacy vs all of Alipay’s payments going to the Chinese government clearhouse. @novogratz

Rory Stewart said if he was going to survive the day: He says: “I feel a bit like Carlisle United going to Wembley to survive the day: He says: “I feel a bit like Carlisle United going to Wembley to

@haveitnews
WE WANT TO HEAR YOUR VIEWS

Better building holds the key to boosting growth and productivity

Mark Reynolds

The Tory leadership campaign is narrowing, and whoever becomes our next Prime Minister will inherit a political landscape that is more challenging and complex than any I've experienced in my time in business. Our relationship with the EU is receiving the most attention, and understandably so. But the to-do list after that is extensive.

The new Prime Minister has an opportunity to hit the ground running and tackle some of these issues head-on. And there is no better area to apply their newfound political capital than the construction industry, and how it can transform the UK.

While the sector makes up six per cent of our economy, its impact is felt across the whole of society. Our buildings and the wider built environment affect all of us - they change how we live, work, and spend our leisure time.

And with greater investment and support in innovation and new technologies, the construction industry can not only improve what we build, but can also make a hugely positive contribution towards the social and economic needs of the country.

Take education, for example. There is a huge pipeline of construction work that could help to replace the outdated schools that are limiting the productivity of teachers.

However, as it stands we are continuing to build schools that are much like those that have come before. From facilities that are falling apart to dated designs that prevent the introduction of new teaching technologies, there are many problems that don’t necessarily require additional resources, but could be fixed by a new, user-focused approach to construction. By bringing school staff into the design process and by allowing the construction of more flexible, cost-effective school accommodation that can be built faster and repurposed in different ways, we can help teachers to claim back hours they spend working unproductively to help them achieve better outcomes for our children.

Then there’s healthcare. We know already from work done by the NHS that if you design hospitals and treatment facilities with an understanding of how nurses actually work, you can shave minutes off treatments. Over time, that adds up to hours of additional capacity, and helps to save lives.

By adopting new construction and design techniques, we can make it easier to do just that - but currently the sector can’t invest enough to trigger a wholesale shift in how we build.

Other examples include better designs for our prisons, which would help to encourage rehabilitation and limit the time our hard-working public servants spend managing outdated estates, or better designed offices which enable public sector workers to work more productively, collaborate more effectively, and achieve better outcomes for us all.

This applies beyond our public services. Better buildings could transform productivity in workplaces across the whole of the UK and unlock huge growth, alongside revolutionising the construction industry and creating thousands of new jobs in the process.

The sector is ready to change, and we’re on the verge of a genuinely transformative revolution.

We’re already making progress. In July 2018, the construction sector received a £170m research and development grant from the government’s industrial strategy and construction sector deal, and in response the industry is committing a further £500m to develop solutions to improve innovation, safety, quality, and productivity.

However, we won’t be able to capture the benefits to everyone without more support from the government.

A firm commitment to a pipeline of work for radical new construction methods, alongside further funding for innovation and regional investment in offsite construction, would go some way to help us on that journey. Whoever ends up as our new Prime Minister – and whatever the outcome of our protracted negotiation to leave the EU – a boost to public sector productivity and private sector growth is a big win that will help to ensure our long-term economic success.

J Our terms and conditions for external contributors can be viewed at cityam.com/terms-conditions

Published by City A.M. Limited, 3rd Floor, 130 Furness Street, London, EC3M 5DJ. Tel: 020 3201 8900. Email: news@cityam.com

Printed by West Ferry Printers Ltd, Kingston Rd, Luton LU2 9SS

CITY A.M. CLUB
JOIN THE CLUB TODAY AND RECEIVE A £100 TO SPEND AT GAUCHO VISIT CITYAMCLUB.COM

MARK REYNOLDS

better buildings can not only improve what we build, can apply their newfound political capital to do just that – but currently the sector can’t invest enough to trigger a wholesale shift in how we build.

Wednesday, 09/01/2019

WEB-200903

Is Facebook’s launch of libra proof that cryptocurrency is going mainstream?

For any new financial system, mainstream adoption is contingent on ease of access – and libra is specifically designed with that in mind. There are many reasons why crypto hasn’t reached mass adoption yet, but the advent of easy-to-use payment gateways has seen an increase in people wanting to join this brave new world.

In the early days, it was widely believed that bitcoin’s sole purposes were money transport, evading sanctions, and as an alternative value exchange in crisis – so it really had no immediate appeal to citizens not under any economic duress.

Today, people are beginning to sense an industrial shift into a different kind of money: money that is cashless, cross-border, and global. Yet what has been absent for this galvanisation of mass adoption is a key catalyst.

As an existing, global and “trusted” I say that with caution) social platform in use by 2.38bn people worldwide, Facebook has the power to act as a portal to both social and now monetary change.

Despite the hubbub over the past few years, the adoption of cryptocurrency has been woeful. It is estimated that just eight per cent of the population owns cryptocurrency, and although Facebook’s foray into this space will increase that, it won’t be by much.

The reality is that banking has been one of the few sectors to spot tech disruption and react to it. With a couple of taps of a button, banking apps – both from mainstream names and new challengers – already allow users to transfer money seamlessly. The ability to do that via Facebook or Whatsapp is not a good enough USP to bring crypto into the mainstream.

With the “get rich quick” novelty of crypto consigned to history, it has failed
Semyon Germanovich asks if Facebook will legitimise cryptocurrency

The “Banking for the unbanked” narrative has long been the preserve of the bitcoin community. There are some 1.7bn people in the world today with no access to a bank account, and since bitcoin came into common usage, “financial inclusion” has been its mantra. So what should we make of Facebook’s apparent incursion into cryptocurrency?

The launch of libra, a digital currency that will allow Facebook users to make financial transactions around the world, is described by some as a “game-changer”, others as a money-laundering mechanism, and a welcome distraction from Facebook’s recent woes. The three central problems for any cryptocurrency are scalability, volatility, and regulatory uncertainty.

In the case of bitcoin, scalability has precluded the currency from being used as an everyday method of payment, while thanks to volatility, it cannot be used as a store of value. Ongoing regulatory uncertainty has everyone from startup investors to large companies spooked. Bitcoin has taken steps to resolve these problems. In 2016, when the currency reached its zenith, there were so many transactions made on the bitcoin blockchain that at one point it cost more than $70 simply to send a bitcoin payment.

The community was frustrated that, at a time of great exposure, bitcoin was in effect unusable. Bitcoin Cash came into being to address this problem of scalability, and it has gained traction, albeit slowly. Facebook has a solution to scalability. By controlling the user’s ability to make payments, libra becomes a kind of conditional blockchain. In other words, Facebook has the ultimate say as to whether or not you can use it.

Introducing an approach like this alleviates the problem of scaling experienced by “unconditional” blockchain currencies, such as bitcoin, but it obviously comes at the cost of full financial freedom. As for the volatility problem, the libra project involves backing the currency with a basket of fiat currencies (government-backed). We can predict that libra will be a more stable currency than bitcoin is or has been, to the extent that it may even approach the stability of the underlying fiat currencies themselves. And we can be confident that libra will meet regulatory standards, too, backed as it is by some of the largest payment processors on the planet.

The impressive body of technology companies and venture capitalists assembled for the libra project unquestionably makes the cryptocurrency space a lot more interesting. But despite all of these positives, there are some doubts – and the question remains: is libra a true cryptocurrency?

Facebook, after all, is using a basket of fiat currencies and securities to support libra, which some might argue answers the question in the negative. But despite all of these positives, libra is likely to position itself not as a competitor to bitcoin or any other digital currency, but as a disruptor in the space in which banks and ageing remittance providers such as SWIFT and Western Union operate.

This we can be sure, is a hinge moment in the history of cryptocurrency. Digital currency has arrived. More important, perhaps, and indeed worthy of attention, is what’s taking place behind the curtain: a seismic shift of power from the state to the tech company.
SONY'S NEW FLAGSHIP IS A TOWER OF POWER

With a cinema-style widescreen display, the Xperia 1 stands out from the crowd.

PHONE

SONY XPERIA 1
£849, SONYMOBILE.COM

LOOKING FOR SOME PEACE? HERE ARE THE BEST HEADPHONES FOR AN OPEN OFFICE

OnePlus Bullets Wireless 2
£99, ONEPLUS.COM/UK

The sequel to the Bullets Wireless, these neckband earphones from phone manufacturer OnePlus are one of the finest examples of the form. The smooth and comfortable earbuds neatly snap together when not in use, dangling around your neck, which automatically pauses your media and turns them off, conserving battery life. A quick double tap of the power button will switch between your two most recent Bluetooth devices too, a helpful feature that lets you easily transition from listening to Spotify on your phone, to listening to Spotify on your desktop computer, all without having to unplug and risk hearing the dreadful howls of your colleagues as they shriek with unrestrained simian delight at your arrival.

Logitech Zone Wireless
£199, LOGITECH.COM

Logitech is far from the sexiest headphone brand around – no company that designs ergonomic keyboards could ever hope to be – but what it lacks in style it makes up for in good old fashioned practicality. The Logitech Zone Wireless is optimised for the open office, with a softly padded on-ear design that’s comfortable to wear for hours on end. There’s active noise cancellation to eradicate the sounds of your unbearable, braying colleagues – who will surely hoot and holler in unbridled jealousy of your new headset – while the boom mic has been tuned for high-quality voice calls. Sidetone lets you hear yourself speak too, so you never find yourself "doing a Dom Joly" at your desk.

Microsoft Surface Headphones
£330, MICROSOFT.COM

Microsoft’s Surface laptops, tablets and computers are the company’s most beautifully designed hardware yet, and the Surface Headphones fit neatly into this new minimalist, metallic aesthetic. Adjustable active noise cancellation helps to drown out the noise made by your insufferable, clanking colleagues, whose dewy noses and bustling whiskers will be reduced to a whisper at the simple twist of the intuitive earcup controls. If you do need to communicate with a co-worker, taking the headphones off and your noggin will pause any music or podcasts you were listening to, and popping them back on will start it up again. The sound quality knocks Logitech into a cocked hat, but those leather pads are less comfortable.

SONY'S NEW FLAGSHIP IS A TOWER OF POWER

look at this incredibly tall lad. Sony’s new flagship, the Xperia 1 is a monolith, a towering glass slab that looks just as likely to trigger the next stage of human evolution as it is to book you an Uber. Take this thing outside and you’d need to let air traffic control know ahead of time.

The phone’s elongated, letterbox aspect ratio of 21.9 was chosen as the ideal shape for watching cinematic, widescreen movies. Coupled with the OLED screen’s deep and rich colours, inky blacks and high contrast HDR, it is an entertainment experience you can get on a device of this size. The 4K resolution (anything in the more super widescreen) most games will end up bordered on the top and bottom by black bars.

As well as watching movies and looking at entire Twitter threads at once, the big screen serves a third purpose in playing games. This is the least useful utilisation of the pixels, as while a few games have been optimised to fill the space (both Fortnite and Asphalt Racing come preloaded on the device and look stunning in super widescreen) most games will struggle to appreciate.

When you’re not watching Netflix, all of that vertical height can still be put to good use. Split-screening apps to run two things at once is typically a cramped affair on other Android phones, but on the vast expanse of the Xperia 1, two apps have plenty of room to breathe. Typing is also enhanced, with the keyboard taking up hardly any real estate and leaving the entire top two-thirds of the display available for whatever you’re writing, be that a screen, a polemic, or just a particularly long grocery list.

As well as watching movies and looking at entire Twitter threads at once, the big screen serves a third purpose in playing games. This is the least useful utilisation of the pixels, as while a few games have been optimised to fill the space (both Fortnite and Asphalt Racing come preloaded on the device and look stunning in super widescreen) most games will end up bordered on the top and bottom by black bars.

Sony has always struggled to stand out among other high-end Android phones, so its decision to focus on design over its peculiar girth when holding it with just one hand, with double taps of the edge of the screen shrinking the operating system to within thumbing distance. But these functions always feel like a cry for solution to the self-imposed problem of having – and it bears repetition – a screen that’s as tall as a house.

But this flagship is more than just one screen. The camera is the best Sony has ever made, and uses a trio of 12 megapixel lenses – one wide angle, one super wide and one telephoto – to produce impressive shots in a range of conditions. The film production division of Sony has loaned its expertise here too, with a powerful CineAlta app that offers videographer grade control over the frame.

Performance is fast, backed up by a beefy 6GB of RAM and a Snapdragon 855 processor, which offers more than enough power to run high-end games and apps at this demanding resolution. It’s zippy.

Whether or not enough of us want to watch high-quality movies on the go – or care passionately enough about multitasking – to choose an Xperia 1 over an alternative remains to be seen, but Sony’s latest flagship is the ideal device for film enthusiasts and productivity buffs alike.
DEE EX BEE CAN GRIND HIS WAY TO GOLD CUP GLORY

This looks a far better race than last season, with the dangers headed by Melbourne Cup winner CROSS COUNTER who is another rapidly improving with age.

It is remarkable to think that he could only finish fourth to Baghdad in the King George V Stakes here 12 months ago off a mark of 98, yet is now a Group One winner rated 20lbs higher.

There was plenty of give underfoot at Flemington when he rewrote the record books last November to be, come the first British trained winner of Australia’s biggest race, so the ground shouldn’t trouble him too much.

I guess the biggest worry is whether he will truly see out the extra half mile, but if he does, he may just be the one they all have to beat.

Charlie Appleby’s four-year-old is 9/2 with Ladbrokes to Science’s party, but would definitely need any further rain to stay away.

Mark Johnston’s DEE EX BEE, who has been a revelation since upped to staying trips this campaign, is one horse who won’t mind further showers.

He showed plenty of guts to repel Mekong in the Henry II Stakes at Sandown when last seen in action last month, but that seems his way.

He is ridden by champion jockey Silvestre de Sousa this afternoon and they are the ideal pairing for a race of this nature.

Dee Ex Bee is a relentless galloper who needs a jockey prepared to work equally as hard in the saddle. Plenty will get to Dee Ex Bee, but it is the getting past him that will be the hard part, and at a best-priced 6/1 with Ladbrokes he looks the value call to me.

Aidan O’Brien is bidding to land the prize for an eighth time and saddles three, headed by Flag Of Honour.

He steps up massively in distance and looks the most likely of the trio to get involved if staying the trip.

Called To The Bar flies the flag for France and won nicely at Longchamp last time.

This requires a huge step up, though, and he is another not guaranteed to relish the extra half mile.

Ian Williams has his team in great order, so if one was to hit the frame at a massive price it could easily be his former Chester Cup winner Magic Circle.

That’s certainly not out of the question, but he would need one of the leading protagonists to massively under-perform to reward each-way support.

@BillEsdaile
King Power can get off to a flyer with Sovereign and Chairman

King Power Racing were so close to landing an emotional first Group One on Tuesday with Beat The Bank’s excellent second in the Queen Anne, but today could be a massive day for the growing operation. They have some serious chances and SUNDAY SOVEREIGN is going to be very hard to beat in the opening Norfolk Stakes (2.30pm).

King Power bought the son of Equiano earlier this month after Paddy Twomey’s colt had beaten Arizona comfortably in a six furlong Curragh maiden in early May. Form that was franked when Arizona took Tuesday’s Coventry Stakes. Sunday Sovereign then ran away with a Tipperary event over the minimum trip, proving he has the speed for this test.

The ground is likely to dry up a little below Guineas or Derby class. It is wide open, but I’ll stick with Fox Chairman who can gain his first success at Group level. It’s wide open, but I’ll stick with Fox Chairman who can gain his first success at Group level.

SINJAARI to make Fleeting visit to the winners’ enclosure

NEWBURY’s London Gold Cup is always one of the hottest handicaps of the season. It nearly always goes to a highly progressive horse who is likely to fly his or her trade in Group company later in life.

Roger Charlton’s Headman, who won under top-weight at Newbury last month, is doing that already by going the other way in the French Derby. However, the horse he beat by just a short-head in that contest is my idea of the winner in today’s closing King George V Handicap (5.35pm).

SINJAARI, thrusted late but couldn’t quite get to Headman and he was probably a little unlucky as he didn’t get the clearest of runs when making his challenge.

Prior to that, he had won well at Windsor, also over 10 furlongs, but the son of Camelot now looks ready to step up to this 1m4f trip.

Many might think that his wide draw in 22 is a big negative, but, famously enough the last eight winners have all come out of double figure stalls, with two of the last four exiting from 20 and 22. A low draw is seemingly a disadvantage in races over this trip at Ascot and with William Haggas’ team in such good form, Sinjaari looks a great each-way bet at around the 7/1 mark.

Aidan O’Brien has already had a good week and I think FLEETING can give him a fourth win in the Ribblesdale Stakes (1.40pm) in the last six years. The daughter of Zoffany ran on really strongly to take third in the Investec Oaks last time and that form is better than anything else in the field.

Queen Power is the danger but Fleeting is the call at 7/4 with Coral.

Sinjaari to make Fleeting visit to the winners’ enclosure

Bill Esdaile previews the Norfolk Stakes and Hampton Court Stakes
Hill Neville has made clear his desire to shape England into a possession-based side. By this evidence it remains a work in progress.

After unspectacular wins over Scotland and Argentina, the Lionesses were faced with their biggest test of the Women’s World Cup against Japan in Nice last night. They passed the test – but, despite the 2-0 scoreline, it was not with flying colours.

The first half contained flashes of composure and class, reminders of the technical ability of Neville’s side, and a well crafted and well taken goal by Ellen White.

But with Japan goalkeeper Ayaka Yamashita on form, England couldn’t push home their advantage and, after weathering severe pressure and relying on some lacklustre Japanese finishing, it was White who raced through to bury her second and send the Lionesses through as Group D winners with maximum points.

SHAKY POSSESSION

From the kick-off it was clear England wanted to go toe to toe with their familiar foes; Japan were beaten 3-0 in the final of the SheBelieves Cup, but crucially beat the Lionesses 2-1 in the 2015 World Cup semi-final.

Centre-backs Steph Houghton and Millie Bright were happy to hold the ball and probe for openings, but in truth it was the more direct style into midfield it was a bold move – and one which brought its fair share of mistakes. Had the recalled Karen Bardsley not produced some sharp stops, England’s efforts could easily have been undone. The win came. They top a World Cup group for a second time. But it was not vintage.

CLASSY STANWAY

Tuesday evening showcased the shining talent of Manchester City’s Phil Foden in action for England’s Under 21s. Last night was a chance to enjoy another outstanding young playmaker on the club’s books.

Georgia Stanway won the Fifa Young Player of the Year award this year and her presence in the Lionesses’ midfield provided a point of difference. It was her spin, drive and poked through-ball which sent White in for the first goal after 14 minutes and her vision which provided the best moments in the final third throughout.

Her inexperience showed at times when taking on inadvisable pot-shots from distance and losing the ball in dangerous areas, but it was a bright showing from the young gun.

RAZOR-SHARP WHITE

Ultimately though it was the assured finishing of White which won it. The striker lead the line tirelessly, holding the ball up superbly and bringing in runners, but it was her instincts on the shoulder of the last defender which brought the goals.

Having scored in the opening 2-1 win over Scotland, White was confident and it showed. A deft finish past the outrushing Yamashita got England under way before she repeated the trick at the near post from Karen Carney’s pass to made sure of the points late on. Given her finishing prowess it’s no surprise Manchester City have already swooped to sign her.

DISAPPOINTING TURN-OUT

Overall it was a high-quality contest in Nice, with two of the world’s most technical teams trying to out-maneuuvre each other. But it was a shame to see so many empty seats in the Allianz Riviera. Just 14,319 people were inside the 35,000-seater stadium, leaving an empty feel which has been a theme of the World Cup so far.

The consensus seems to be that there has been little visibility around France to suggest a tournament is taking place, while Fifa and their social media channels apparently have not been compelled to push ticket sales. It may be a footnote to a positive night for English women’s football, but it is an important one nonetheless.
Morgan showed leadership and power in batting blitz

England skipper Eoin Morgan has always been someone who cashes in when he gets on a roll, but even for him the World Cup performance against Afghanistan on Tuesday was special.

As captain of the one-day side, Morgan has tried to make England as dominant as possible and his innings of 148 from 77 balls, with an ODI record 17 sixes, was him leading from the front.

The fact he had suffered a back spasm four days beforehand just shows his character. When I toured with him for the 2011 Ashes in Australia and the World Cup in the sub-continent he was more of a Jack the Lad type, but now he’s married, settled down and has really blossomed as a captain.

He’s very professional. England were always expected to beat Afghanistan, but they have lost to Holland and Ireland at tournaments before and Morgan didn’t want to take the easy option and sit the game out. Instead he embraced the adrenalin and produced a remarkable knock to remind us all just what he’s capable of.

Morgan is a brilliant player of spin. He was one of the first to adopt the reverse-sweep years ago, but we didn’t see much of it at Old Trafford - just conventional power down the ground.

Once he was in the mood he took full advantage of it and that will give him a lot of confidence for the rest of the tournament.

JOY TO WATCH

Next up it’s Sri Lanka at Headingley tomorrow and I can only see one result. England are full of confidence and simply a much better side than their opponents, who so far have only picked up one win, against bottom team Afghanistan.

I haven’t been impressed by Sri Lanka’s bowling which looks average at best. Lasith Malinga is 35 now and doesn’t bowl with the same pace and won’t be feared by this England top order.

Whether they have to bat first or second I’m confident England will score enough runs to seal the deal, while their pace attack has been a joy to watch of late.

Jofra Archer has taken 12 wickets and Mark Wood nine with some hostile and accurate bowling. They both seem to be really enjoying it – especially the aspect of scaring the opposition. Sri Lanka’s batsmen are yet to fire and are likely to be on the receiving end of a barrage in Leeds.

England can cement a place in the semi-finals with a fifth win from six matches, which will allow them to, if not completely take their foot off the gas, then go at 80 per cent for the remaining three games. Although we’re over the halfway point in the group stages and the top four of England, Australia, New Zealand and India are pulling away from the rest, I don’t have a problem with the format.

With all 10 teams in one group it’s fair. It rewards consistency, allows the best teams to rise to the top and ensures the unfortunate and not so good teams don’t get 90s.

It’s true that we haven’t had a real shock result yet, but I’m sure the semi-finals will provide plenty of memorable moments.

----

SPORT DIGEST

Williamson delivers killer blow in World Cup thriller

New Zealand captain Williamson struck an unbeaten 101 to guide his side past South Africa in a nervy World Cup chase yesterday. His win from 49 overs after a delayed start, South Africa stuck to reduce the Kiwis to 80-4 but Williamson (106 not out) and Colin de Grandhomme (60) rebuilt in a partnership worth 91 runs to set up a close finish at Edgbaston. Needing 80 from the final over, Williamson hit a brilliant six off Andile Phehlukwayo (pictured) to bring up his hundred and seal New Zealand’s fourth win to send them top of the table.

The defeat, South Africa’s fourth in six games, effectively ended their hopes of reaching the semi-finals. ‘It’s just about trying to do the job as well as you can,’ said Williamson. ‘I was fortunate I was able to do it today.

Although the first semi-final will be between Australia and Pakistan, England face the daunting task of battling with India in the second semi-final.

----

SCOTS KNOCKED OUT OF WORLD CUP IN VAR DRAMA

Scotland were knocked out of the Women’s World Cup last night after a dramatic injury-time penalty saw Argentina come from 3-0 down to draw 3-3 in Paris. Goals from Kim Little, Jennifer Beattie and Erin Cuthbert had the Scots on course to progress.

But Milagros Menendez’s penalty, scored the re-take to deny them.

-----

STOUTE TOASTS ASCOT WINNER CRYSTAL OCEAN

Stoute said Stoute Toasts Saratoga win. ‘It’s a very good horse, but we had to work for it,’ he said. ‘I’m delighted to have a winner here after I’ve had a difficult time.’

WINNER CRYSTAL OCEAN

British No1 Kyle Edmund won a Group One with him now. ‘He’s a high-class horse,’ said Stoute. ‘I’m delighted to have a winner here after I’ve had a difficult time.’

-----

EASTBOURNE TARGETS INTENSE DEBUT

Eastbourne is looking for form ahead of the Wimbledon after losing 6-3 6-4 to Jelena Ostapenko in Birmingham.

Johanna Konta will head to the second set today after losing the seed Stefanos Tsitsipas today at 3-3 in five games. Edmund will resume his tie against top seventh seed.

-----

£8,000 BETTING FINE

City, apologised and said he was unaware of the rules when placing 140 bets between 2015 and 2019.

-----

CHRISTOPHER TREMLETT

Eoin Morgan has always been someone who cashes in when he gets on a roll, but even for him the World Cup performance against Afghanistan on Tuesday was special.

As captain of the one-day side, Morgan has tried to make England as dominant as possible and his innings of 148 from 77 balls, with an ODI record 17 sixes, was him leading from the front.

The fact he had suffered a back spasm four days beforehand just shows his character. When I toured with him for the 2011 Ashes in Australia and the World Cup in the sub-continent he was more of a Jack the Lad type, but now he’s married, settled down and has really blossomed as a captain.

He’s very professional. England were always expected to beat Afghanistan, but they have lost to Holland and Ireland at tournaments before and Morgan didn’t want to take the easy option and sit the game out. Instead he embraced the adrenalin and produced a remarkable knock to remind us all just what he’s capable of.

Morgan is a brilliant player of spin. He was one of the first to adopt the reverse-sweep years ago, but we didn’t see much of it at Old Trafford – just conventional power down the ground.

Once he was in the mood he took full advantage of it and that will give him a lot of confidence for the rest of the tournament.

JOY TO WATCH

Next up it’s Sri Lanka at Headingley tomorrow and I can only see one result. England are full of confidence and simply a much better side than their opponents, who so far have only picked up one win, against bottom team Afghanistan.

I haven’t been impressed by Sri Lanka’s bowling which looks average at best. Lasith Malinga is 35 now and doesn’t bowl with the same pace and won’t be feared by this England top order.

Whether they have to bat first or second I’m confident England will score enough runs to seal the deal, while their pace attack has been a joy to watch of late.

Jofra Archer has taken 12 wickets and Mark Wood nine with some hostile and accurate bowling. They both seem to be really enjoying it – especially the aspect of scaring the opposition. Sri Lanka’s batsmen are yet to fire and are likely to be on the receiving end of a barrage in Leeds. England can cement a place in the semi-finals with a fifth win from six matches, which will allow them to, if not completely take their foot off the gas, then go at 80 per cent for the remaining three games.

Although we’re over the halfway point in the group stages and the top four of England, Australia, New Zealand and India are pulling away from the rest, I don’t have a problem with the format. With all 10 teams in one group it’s fair. It rewards consistency, allows the best teams to rise to the top and ensures the unfortunate and not so good teams don’t get 90s.

It’s true that we haven’t had a real shock result yet, but I’m sure the semi-finals will provide plenty of memorable moments.

----

SPORT DIGEST

Williamson delivers killer blow in World Cup thriller

New Zealand captain Williamson struck an unbeaten 101 to guide his side past South Africa in a nervy World Cup chase yesterday. His win from 49 overs after a delayed start, South Africa stuck to reduce the Kiwis to 80-4 but Williamson (106 not out) and Colin de Grandhomme (60) rebuilt in a partnership worth 91 runs to set up a close finish at Edgbaston. Needing 80 from the final over, Williamson hit a brilliant six off Andile Phehlukwayo (pictured) to bring up his hundred and seal New Zealand’s fourth win to send them top of the table.

The defeat, South Africa’s fourth in six games, effectively ended their hopes of reaching the semi-finals. ‘It’s just about trying to do the job as well as you can,’ said Williamson. ‘I was fortunate I was able to do it today.

Although the first semi-final will be between Australia and Pakistan, England face the daunting task of battling with India in the second semi-final.

----

SCOTS KNOCKED OUT OF WORLD CUP IN VAR DRAMA

Scotland were knocked out of the Women’s World Cup last night after a dramatic injury-time penalty saw Argentina come from 3-0 down to draw 3-3 in Paris. Goals from Kim Little, Jennifer Beattie and Erin Cuthbert had the Scots on course to progress.

But Milagros Menendez’s penalty, scored the re-take to deny them.

-----

STOUTE TOASTS ASCOT WINNER CRYSTAL OCEAN

Stoute said Stoute Toasts Saratoga win. ‘It’s a very good horse, but we had to work for it,’ he said. ‘I’m delighted to have a winner here after I’ve had a difficult time.’

WINNER CRYSTAL OCEAN

British No1 Kyle Edmund won a Group One with him now. ‘He’s a high-class horse,’ said Stoute. ‘I’m delighted to have a winner here after I’ve had a difficult time.’

-----

EASTBOURNE TARGETS INTENSE DEBUT

Eastbourne is looking for form ahead of the Wimbledon after losing 6-3 6-4 to Jelena Ostapenko in Birmingham.

Johanna Konta will head to the second set today after losing the seed Stefanos Tsitsipas today at 3-3 in five games. Edmund will resume his tie against top seventh seed.

-----

£8,000 BETTING FINE

City, apologised and said he was unaware of the rules when placing 140 bets between 2015 and 2019.
FOR THOSE WHO WANT TO BE £150 BETTER OFF

Visit our London hub today to get a £150 cash bonus and 100 free trades when you open an account.

Fineco is the bank designed for life on the move. Apply today to get a free multi-currency account that lets you bank, trade and invest in GBP, EUR, USD, CHF and more, with no conversion or admin fees.

Find out more at finecobank.com

Open week Mon-Fri, 10am-8pm
FINECO HUB | 40 Gracechurch Street
London, EC3V 0BT

*Terms apply. Deposit £1000 or more for cash bonus. Free trades to be used within three months.